

PROPOSED AMENDMENTS TO THE DEEPWATER PORT ACT

U.S.-ALGERIAN MINISTERIAL LNG SUMMIT

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Legislative Background

- ◆ Proposed legislation adding natural gas to the Deepwater Port Act has cleared both houses of Congress
- ◆ Provision is attached to each houses' Port Security Bill and expected to be passed under the current Congress



Elements of Proposed Amendments



- ◆ Define natural gas and deepwater port
- ◆ Remove “managed access” restrictions
- ◆ Remove geographic area restrictions
- ◆ Issue regulations addressing natural gas
- ◆ NEPA Compliance

Licensing Responsibilities

- ◆ License issued by Secretary of Transportation
- ◆ Application processed jointly by the U.S. Coast Guard (USCG) and the Maritime Administration (MARAD)
- ◆ USCG and MARAD must consult with other Federal Agencies and Adjacent Coastal State(s)

Application Requirements

- ◆ Application processing requirements found in Title 46 Code of Federal Regulations Part 148
- ◆ Notice of Proposed Rulemaking published in May 02 to update procedure, Final Rule pending
- ◆ Submitted to USCG with application fee
- ◆ Applicant responsible for costs incurred by federal government to process application

Future Developments for Natural Gas

- ◆ Several energy companies interested in deepwater port projects
- ◆ New concepts have included:
 - Gravity based systems receiving LNG
 - Vessel regasification systems with single point moorings
 - Systems for carrying compressed natural gas
 - Floating production systems to access remote gas



U.S. Coast Guard Goal



Work with industry & other agencies to ensure a safe, secure and environmentally responsible transportation system exists to meet the energy needs of the U.S.